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C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000264

SIPDIS

STATE FOR EAP/ANP; OSD FOR JESSICA POWERS

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TAGS: [MARR](#) [PREL](#) [MOPS](#) [NZ](#)

SUBJECT: DASD CLAD/MAJOR GENERAL CONANT'S AUGUST 4-6 VISIT
TO NEW ZEALAND

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) and (d)

¶1. (C) Summary. During a joint visit by DASD James Clad and PACOM J-5 Major General Conant to New Zealand, both met with Minister of Defense Phil Goff, Secretary of Defense John McKinnon, and Vice Chief of the Defense Force Jack Steer. Senior MOD officials welcomed enhanced bilateral military engagement and urged USG to support New Zealand's proposed A-4 sale. DASD Clad presented a letter from Deputy Under Secretary of the Navy Billingslea offering increased engagement on Maritime Domain Awareness, which was welcomed by the GNZ. An MOD roundtable led by Paul Sinclair, head of the GNZ International Defense Relations, reviewed GNZ-USG collaboration in the eight areas of bilateral engagement agreed to earlier this year; they agreed they would proceed cautiously and methodically. The GNZ expressed renewed interest in the Global Peacekeeping Operation Initiative (GPOI) but made no commitments. MOD officials stressed that expanded cooperation would be constrained by staffing and resource limitations including upcoming replacement costs for naval support vessels, the army's vehicle fleet, and the aging Hercules and P-3 planes in the New Zealand Air Force. DASD Clad summarized USG policy interests in the region and suggested that New Zealand might participate in the upcoming Kokoda Foundation dialogue in Australia. He promised U.S. military support for assisting the NZDF in realizing the full capabilities of its equipment. Clad underscored USG interest in GNZ support within the NSG for the US-India civilian nuclear deal and a long-term GNZ contribution in Afghanistan. End Summary.

Meeting with MOD: A4s and PICs

¶2. (C) Discussions at the MOD began with Defense Minister Phil Goff and Secretary of Defense John McKinnon on the topics of Burma and Afghanistan; Major General Conant expressed condolences for the loss of Goff's nephew in Afghanistan last year. Goff then moved onto the new amphibious ship HMS Canterbury and its problems, but the MOD noted they were all fixable. He stated the vessel would open opportunities for working with the US Coast Guard, in addition to current fisheries efforts, while also affording

other opportunities with this new large vessel and amphibious capability, possibly with the Pacific Partnership. DASD Clad then presented a letter from Deputy Under Secretary of the Navy Billingslea, offering increased participation in Maritime Domain Awareness. Goff welcomed this and stated the interaction with DOD is positive and the streamlined waiver process is "first-rate." He further indicated that MDA is good news and fulfillment of Washington decisions, tying this to results of the informal DOD talks. Goff said he was looking forward to a visit by the Admiral either to or from Antarctica in January, 2009. In particular, he advised there are some huge challenges in the Pacific and they are keen to see the US fulfilling its role. He further stated that the relationship between NZ and CENTCOM is close due to their role in Afghanistan, but the relationship with PACOM is still continuing to develop.

13. (C) The A-4 sale topic was briefly discussed with Goff saying it looked promising, but there appeared to be a slight concern with the rules and that the NZDF was seeking legal advice. This concern revolves around a requirement to have the assets to support the contract, but that the company (ATAC) needed the contract in order to acquire the assets. DASD Clad stated he would like to liaise with NZ Embassy DCM Ian Hill on a weekly basis to which Goff responded with appreciation, further expressing appreciation for Deputy Secretary of Defense England having spoken to Deputy Secretary Negroponte on this topic previously and hoping that it could be resolved before NZ's November elections. He also stated that this sale would help the NZDF pay for their new

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NH-90 and AU-109 helicopters. NZ Air Force pilots will be trained by Germany in these new helicopters, and both can be operated off of the Canterbury.

14. (C) Discussions turned to Tonga, with Minister Goff stating the reform process was getting underway, but he cautioned that although the Prime Minister was part of the democracy movement, he may also be linked to some of the 2006 riots. Goff advised that a Cabinet paper was coming out on the Solomon Islands, extending NZ's troop commitment (about platoon size) for another five years. He also stated that the Solomon government was quietly cooperating with RAMSI, but the growing food and oil crisis could create popular pressure for government change. The discussion on Timor Leste focused on Chinese influence, highlighting that the presidential palace, Ministry of Foreign Affairs building, and Defense HQ were all built by the Chinese. Goff stated that the Chinese have also provided money for patrol vessels, but they had no made no provision for follow-on maintenance or training. Goff then stated that the Asia-Pacific would have a heightened Chinese presence over the next several years and that it would be a good chance to discuss China with ADM Keating when he transits to or from the Antarctic.

15. (C) Secretary of Defense John McKinnon expressed pleasure with the recent visit of Secretary Rice. He then discussed the NZDF's upcoming participation in "Cooperative Spirit," an ABCA (five eyes ground forces organization) exercise to be held in Germany in September. This will be the first time in many years that the NZDF is able to participate in a substantial ground exercise, and they intend to send approximately 170 army personnel. McKinnon emphasized their key challenge is managing resources and often must determine whether to participate in such events on a case-by-case basis. He welcomed USG visits, noting Major General Conant's presence, and stated that increased PACOM visits to NZ will enhance visibility on possible engagement opportunities. The SecDef concluded with comments regarding the upcoming visit of Lt. General Mataparea, NZ Chief of Defence (CDF), to the US and indicated that the NZDF desired in-depth roundtables during his visit.

New Zealand Defense Force Challenges

¶16. (C) At an MOD roundtable chaired by Paul Sinclair, MOD Policy Planning Director Andrew Wierzbicki explained that New Zealand is seven years into its reinvestment program for New Zealand's Defense Forces (NZDF). The GNZ has spent roughly 4.5 billion NZ dollars over the past decade, which is the most significant expenditure since World War II, he added. The MOD is working on an updated reinvestment/refurbishment/replacement schedule that is scheduled to go to Cabinet in the next few weeks. Much of the reinvestment has a U.S. component, said Wierzbicki, who cited GNZ purchases of the Javelin anti-tank weapon system, the modifications to the Boeing 757 aircraft, the lightly armored vehicles, the P-3 Orion upgrade being done in Texas, and the Hercules upgrade being done in Canada. On the naval side, the GNZ has contracted with Raytheon to upgrade equipment. Wierzbicki noted that a key issue for the MOD is that, despite the ongoing reinvestment program, the GNZ expects the operations tempo in Timor Leste, the Solomons, and Afghanistan to continue unabated. Sinclair added that some military officers have been on overseas deployments six times, making retention and recruitment an issue.

¶17. (C) Wierzbicki said that the next 10-15 years will see the most significant upgrade of the NZDF self-defense and war-fighting capability in the form of proposed upgrades to the NZDF frigate systems at a projected cost of NZD 800 million, as well as the replacement of naval support vessels, the army's vehicle fleet, the P-3 Orions and the Hercules aircraft in the NZ Air Force. DASD Clad asked whether the

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opposition National Party, if elected, might look at defense procurement differently. Wierzbicki responded that National has indicated that it would commission a white paper but not made any firm commitment on priorities. The Policy chief for the MOD added that defense, including decisions on equipment replacement, will have to take their place among the competing priorities within other social sectors such as health, education, and social welfare. In discussing GNZ efforts to get the maximum from the HMS Canterbury, DASD Clad urged the GNZ to be creative in seeking USG assistance to fully realize Canterbury's capabilities.

Military Intelligence Sharing Still an Issue

¶18. (C) NZDF Colonel Kevin Arledge noted that in the past two years, defense intelligence cooperation has grown and relevant agencies from both countries are moving forward on image sharing. He commended the linkages between New Zealand and CENTCOM vis-a-vis Afghanistan, saying that there is not the equivalent relationship with PACOM at the J-2 level. The military-to-military intel relationship remains a work in progress, continued Arledge. New Zealand cooperation with DIA is fine but OSD policy issues remain, he added. Arledge said that New Zealand could do more with the United States but much depends on IT connectivity. As an example, he cited the 2006 Fiji crisis and the intelligence collection and sharing that tracked the coup and its aftermath. He said that it worked through the NSA but was "cumbersome and slow." Arledge cautioned that he worries what would happen if a security crisis emerged again in the Pacific and current limitations are not addressed. DASD Clad acknowledged that connectivity remains an issue, and we have also discussed it with Australia. There may be opportunities to discuss the issue further when the NZDF Chief visits Washington in September; MG Conant and Colonel Arledge agreed that a planned meeting between PACOM, either Admiral Keating or Adm. Willard, and the NZDF Chief of Navy in Singapore in February will also be a chance to discuss these issues. Conant also suggested that this could be discussed when the NZDF Chief visits PACOM in September. DASD Clad informed the MOD officials that the USG had agreed to invite New Zealand to participate with Japan, Singapore and Australia in the cooperative Maritime Domain Awareness program.

Eight Areas of Cooperation

19. (C) Paul Sinclair detailed US-NZ progress in the eight areas of mil-to-mil cooperation approved by the USG interagency in 2007. He reiterated New Zealand's commitment to proceed cautiously and methodically. The Proliferation Security Initiative (PSI) is an area where both countries are working multilaterally in a positive way, said Sinclair, who pointed to the upcoming New Zealand-hosted PSI exercise (Operation Maru) in September. He welcomed the robust USG participation, noting that Maru has received a good regional response as well as from countries outside the southern Pacific. On North Korea and UNSCR 1718, New Zealand has offered strong support to the US, noted Sinclair, citing FM Peters interest in nonproliferation efforts in the Korean peninsula. Within the ASEAN Regional Forum, the US and NZ work closely. New Zealand, along with Indonesia and Japan, serves as co-chair of the maritime security group where New Zealand is focused on enhancing its bilateral relationship with Indonesia, added Sinclair who offered that the GOI's new naval commander is a significant improvement over the former, highly nationalistic, commander. Sinclair said that New Zealand supports the Philippines/USG initiative in the ARF.

10. (C) Within PKO, New Zealand remains a participant in Afghanistan, and Sinclair noted that the GNZ has signed off on continued NZDF support to Afghanistan through to September 2009, at which point the Cabinet will review the matter.

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MFAT's Justin Fepuleai added that MFAT CEO Simon Murdoch had passed the same message to Secretary Rice during the latter's July 26 visit to New Zealand. Sinclair asked for an update on the Global Peacekeeping Operation Initiative (GPOI), adding that New Zealand lacks information on GPOI. DASD Clad responded that GPOI enhances professionalism of participating militaries; MG Conant urged New Zealand to join, adding that Mongolia, Indonesia, and the Philippines have signed on. He explained that the purpose of GPOI is to ensure that contributing nations to UN PKOs understand UN standards for participating in UN peacekeeping operations and are trained to meet them. Clad pressed New Zealand to look at GPOI multilaterally and offered that PNG is interested in joining.

Air Commodore Peter Stockwell said that New Zealand's capacity to attend is an issue. He downplayed the ability of Pacific Island countries to make a strong contribution to international PKOs, saying that the PICs see it as a cash generating exercise (citing Bangladesh as an example of a contributor more interested in the UN salaries than the actual work of peacekeeping) as opposed to a capacity building one. MG Conant stressed that the program is a UN activity but there is USG funding for it. Within PACOM, GPOI is growing, added Conant.

11. (C) For the NATO Global Partnership, Paul Sinclair observed that NATO/EUCOM head General Craddock is coming to New Zealand soon. New Zealand, he continued, is pleased with the consultative process within NATO, and New Zealand's Chief of Defense Force attended the May 12 CDF conference in Brussels, which was well done and a good follow-on from the NATO Bucharest Summit in April. Relations with NATO in Afghanistan are "working well," said Sinclair, with New Zealand looking more at the NATO intelligence network. NATO has concerns about their lack of intelligence connectivity with PACOM and other partners, and they are taking any opportunity available to explore options and discuss the issue. Sinclair offered that the Singaporean Defense Minister would be visiting New Zealand and said the GNZ would push the GOS to do more in Afghanistan; Clad welcomed the initiative. DASD Clad said that the Australians had said they are more satisfied than before with NATO operations in Afghanistan. Clad proposed the New Zealand be represented at the upcoming Kokoda Foundation security meetings in Australia. For Operation Enduring Freedom (OEF), Sinclair

said that US-NZ cooperation was good during the current three-month period of the NZ frigate HMS Te Mana in the Gulf. No deployment, however, is scheduled for 2009 at the moment.

¶12. (C) On the subject of humanitarian relief operations, New Zealand is pleased to be able contribute to these exercises and welcomes participation in the upcoming Operation Mercy exercise in PNG. MG Conant said that the US military is considering further "angel teams," in which military medical personnel are air dropped onto various Pacific islands; previous teams have had very positive experiences with local populations who had not seen a US service member since World War II. Conant asked if New Zealand would like to join such teams; Stockwell responded that it would depend on availability of personnel. Clad offered to provide the GNZ with a copy of the after action report on the USG response to the cyclone in Bangladesh. Wellington DATT asked whether the HMS Canterbury would be available to play a role in a Pacific Partnership activity. Stockwell said that the Canterbury was scheduled to do a similar activity in Tokelau but has had too many technical problems this year; next year could be a possibility, he added, possibly as part of a Quads process.

Japan, PIC Issues

¶13. (C) Related to greater Singaporean involvement in Afghanistan, Sinclair informed the USG officials that the GNZ

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has tried over the past nine months to engage the Japanese on participation in the New Zealand PRT in Bamiyan. MG Conant downplayed GNZ expectations, noting that the Japanese defense establishment has gone through tough times. Sinclair observed that the GOJ is sending some planes to participate in Operation Maru (September 15-19), but GNZ efforts to build a defense relationship with Japan have been less than successful; NZ feels that Japanese forces lack self confidence in overseas deployments. DASD Clad urged the GNZ to continue to engage with the Japanese.

¶14. (C) On East Timor, Sinclair noted that New Zealand is trying to get involved in the reform of the security sector since there will be no prospect of an international withdrawal of forces until the Timorese can manage their own security forces. New Zealand and Australia do not want to be security guarantors indefinitely, he underscored, but cautioned that a return to insecurity is "one shot away." Although the GNZ welcomes the current stability, Sinclair noted that New Zealand knows well that the underlying problems remain. UNPOL, continued Sinclair, is completely ineffective with no real mentoring capacity. DASD Clad responded that the Australians recognize that they may be there indefinitely; within the USG, Timor is viewed as a largely an issue for Australia and New Zealand. MG Conant noted that PACOM's Admiral Keating has offered more ship visits to East Timor. Clad added that at Australian behest, the Asia Pacific Center for Security Studies (APCSS) has had two meetings on a national security strategy for Timor Leste, with a third meeting scheduled. Sinclair complained that some of the international training programs are working at cross purposes, noting that the Brazilian military police are teaching the Timorese civilian police in military police tactics, which are not appropriate to civilian policing.

Atmospherics

¶15. (C) Throughout the discussion, DASD Clad commented on how positive the mil-to-mil environment had become and the excellent cooperation and dialogue. He urged continued collaboration and engagement within the expanded boundaries of military cooperation, and promised to remain focused on the A-4 issue. Both GNZ and USG officials agreed that each

country's upcoming elections will have no negative impact on the extremely cooperative mil-to-mil relationships between the US and New Zealand. End Comment.

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